

DEPARTMENT OF CONSERVATION

DIVISION OF RECYCLING - INDUSTRY SERVICES BRANCH

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December 10, 2007

NOTICE

TO: BEVERAGE DISTRIBUTORS AND MANUFACTURER -- CURRENT

ANNUAL REPORTERS

SUBJECT: ANNUAL REPORTING PROGRAM

2007 Annual Reporting and Payments

As previously approved by the Department of Conservation (Department), to make annual payments for the 2007 calendar year, <u>your California Redemption Value</u> (CRV) and/or processing fee report(s) and payment(s) for 2007 are due no later than February 1, 2007. Enclosed are copies of the Distributor Report (DR-3) and Beverage Manufacturer Report (DR-4) forms for your convenience.

Beginning with sales in July 2007, recent legislative changes increased the California Redemption Value (CRV) from .04¢ to .05¢ for beverage containers under 24 oz and from .08¢ to .10¢ for beverage containers 24 oz and over.

The Department will need two DR-3 reports submitted, one from January 1, 2007 through June 30, 2007 with CRV of .04¢ and .08¢ and the other reporting sales from July 1, 2007 through December 31, 2007 using the increased CRV of .05¢ and .10¢. As always, remember to subtract the administrative fee of 1.5% from the CRV subtotal.

Beginning with sales in January 2007, recent legislative changes waived the Processing Fees (PF) for Glass, Plastic #1 and Plastic #2 for the calendar year of 2007. The department will still need a completed DR-4 with the container counts using a unit fee of \$0 for the aforementioned container types.

You may order additional DR-3 and DR-4 forms from IKON Office Solutions by phone at (916) 852-1010 or by fax at (916) 638-0909.

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If you do not have any sales for the reporting period, <u>you are still required to submit a report</u> to the Department for each ID number. Indicate in the appropriate box on the reporting form, "nothing to report." Submit completed forms with full payment to:

Department of Conservation PO Box 277820 Sacramento, CA 95827

The Department will determine your eligibility to report annually in 2008 based on the amount of CRV and/or processing fee payments made for each identification number in the past 12 months. If eligible, the Department will automatically enroll your company as a participant in the 2008 annual reporter program for each identification number. If you are not eligible to be an annual reporter, you will be required to file monthly reports. You will be notified of the Department's decision as to whether you are a monthly or annual reporter by mail no later March 1, 2008. If you have any questions regarding this notice, please contact your account representative at (916) 323-1837.

Sincerely,

John Panenka, Manager Industry Services Branch

Enclosures